

STATE OF WISCONSIN
BEFORE THE MEDIATOR/ARBITRATOR

RECEIVED

AUG 31 1984

In the Matter of the Mediation/
Arbitration Between

GREEN BAY BOARD OF EDUCATION
EMPLOYEES, LOCAL 3055, AFSCME,
AFL-CIO

and

GREEN BAY AREA PUBLIC SCHOOLS

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Case LXXIV
No. 32770, Med/Arb-2636
Decision No. 21480-A

APPEARANCES:

James W. Miller, Representative, Wisconsin Council 40, AFSCME, AFL-CIO, appearing on behalf of the Green Bay Board of Education Employees, Local 3055.

Thomas E. Kwaitkowski, Staff Attorney, Green Bay Area Public Schools, appearing on behalf of the Green Bay Area Public Schools.

ARBITRATION HEARING BACKGROUND:

On March 28, 1984, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as mediator/arbitrator, pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act in the matter of impasse between the Green Bay Board of Education Employees, Local 3055, AFSCME, AFL-CIO, referred to herein as the Union, and the Green Bay Area Public Schools, referred to herein as the District or the Employer. Pursuant to statutory requirements, mediation took place on May 2, 1984. Mediation failed to resolve the items at impasse between the parties, thus an arbitration hearing was held on June 14, 1984. At that time, the parties were given full opportunity to present relevant evidence and make oral argument. The proceedings were transcribed and post hearing briefs were filed with and exchanged through the mediator/arbitrator on August 8, 1984.

THE ISSUES:

Three issues remain at impasse between the parties. The final offers of the parties are attached as Appendix "A" and "B".

STATUTORY CRITERIA:

Since no voluntary impasse procedure was agreed to between the parties regarding the above impasse, the undersigned, under the Municipal Employment Relations Act, is required to choose the entire final offer of one of the parties on all unresolved issues.

Section 111.70(4)(cm)7 requires consideration of the following criteria in reaching a decision in this matter:

- A. The lawful authority of the municipal employer.
- B. The stipulations of the parties.
- C. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- D. Comparison of wages, hours and conditions of employment of municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees per-

forming similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and comparable communities.

- E. The average consumer prices for goods and services, commonly known as the cost-of-living.
- F. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- G. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- H. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

THE POSITIONS OF THE PARTIES:

Both parties concur the major issue is wages and that they differ over the method of costing and the selection of comparables as it relates to this issue. The District proposes the final offers be costed taking into account the cost associated with the 1982-83 split increase in wages while the Union contends the cost should be based upon the increase added to the year-end rate. In regard to comparables, while they both agree the City of Green Bay employees should be considered as comparables, they differ over the inclusion of other institutions. The Union seeks to have the school districts of West De Pere, Appleton, Fond du Lac, Manitowoc, Menasha, Neenah, Oshkosh, Sheboygan, Two Rivers, Janesville, Kenosha, Racine and Waukesha included since they are similar in enrollment, levy and valuation, while the District believes the contiguous districts as well as the maintenance employees in the educational institutions of Brown County and the State of Wisconsin should be included since they constitute the market area for the District employes.

THE UNION'S POSITION: In addressing the wage issue, the Union asserts it does not matter whether or not its offer is costed as the District would propose because it has need to "catch up" to area employees performing similar work. It adds, however, that it is better to determine the percentage increase by calculating the increase off the year-end rate, not the rate which occurs as the result of a split increase. Comparing itself to the City of Green Bay maintenance employees, a comparison which it contends has historically occurred, the Union concludes it has fallen significantly behind City employees in compensation. Rejecting the District's figures regarding wages paid City employees, the Union states the contracts it has submitted into evidence not only support its conclusion but show that the classification used by the District to make its comparison does not exist within the submitted contracts.

The Union also challenges the District's selection of comparables. It contends the District does not provide enough data regarding the proposed City and County comparables to establish credibility for them and that the school districts it proposes as comparable are much smaller and therefore should not be considered comparable.

The Union continues the internal comparisons within the District support its final offer. Citing salary increases given other support staff ranging between 4.9% and 5.2%, the Union argues

the District's offer results in a lesser increase than it has granted to other support staff. It adds that while all employees in the other units will receive the same percentage increase, not all employees within the maintenance unit will since the offer is a cents per hour offer rather than a percentage offer and there are varying paid classifications within this unit.

Finally, the Union maintains the Employer's offer should be rejected because it includes a proposed language change for disciplinary warnings and a proposed increase in holidays, both benefits unsought by the Union. Noting that the holiday adds cost to the District's proposal, the Union challenges the wisdom of such a proposal when no other bargaining unit has the proposed time off and the parties are deadlocked over wages.

THE DISTRICT'S POSITION: The District argues the two items in addition to its wage offer in the final offer only represent benefits to the Union and as such should weigh in the District's favor. Challenging the Union in regard to costing and in its selection of comparables, the District asserts that its position on wages should prevail. Stating the Union has failed to offer evidence as to the cost of its proposal, the District declares that its method should be the accepted method. It continues its comparables should also govern since selection on the basis of "market area" was made based on the nature of the bargaining unit population and since it has compared job content positions rather than titles, unlike the Union in its "fatally flawed" analysis.

Contending the Union's method of calculating the proposed increase would result in a "windfall" for the employees, the District argues this method creates a 6.1% increase in salary cost. The District adds this method of costing is contrary to the pattern and settlement established in the voluntary settlement with the monitors and would result in maintenance employees receiving a higher salary cost increase than the monitors.

Rejecting the Union's set of comparables stating the Union has failed to establish there is mobility to these outlying areas by District employees, the District contends the comparables should constitute the market area since the District employees comprise part of the area labor pool. The District adds the enrollment, levy and valuation figures submitted by the Union in establishing its comparables are meaningless since the District has not asserted an inability to pay argument.

In regard to the wage comparisons, the District declares only it has analyzed job content and argues the Union's comparisons should be rejected since the Union did not attempt to determine whether or not its classification comparisons were similar. Citing West De Pere comparisons as an example, the District challenges the Union's declaration that it compared similar positions since the District's comparison based upon a job content survey shows the District's offer is superior to the pay in West De Pere for employees performing the same duties. As a result of its survey, the District posits the Union's exhibits cannot be relied upon and must be rejected.

Continuing, the District declares the breadth of the sample benchmarks chosen for comparison purposes by either party should also be considered. It states that it has chosen comparisons which encompass a major part of the bargaining unit while the Union has chosen classifications which rely upon units of ten or less employees. In conclusion, then, it asserts that its comparisons are the ones which should be used since they cover more employees within the unit. It adds that if these comparisons are used, the average percentage settlement increase among the market area comparables is less than the percentage increase it is offering its employees.

Finally, the District argues that the Union's exhibits regarding rates of pay and settlement patterns for the City of Green Bay lack credibility since the Union has not shown the job contents to be comparable. Further, it declares the Union's elicited testimony

that past comparisons have been with the City's Parks and Streets Departments should be discounted because it is vague and because the situation is now historically obsolete since the District is now a unified school district and not a city school district.

DISCUSSION:

A number of the parties' arguments relate to the selection of comparables, the method of comparison and the accuracy of the data presented. Since there is not sufficient backup data provided in the record to determine which party is correct, it has been decided that the only data which is not challenged by the parties and upon which they are in agreement, the internal settlements, will be used as the primary basis of comparison in determining the reasonableness of the wage offers. Internal settlements in themselves are not an improper basis of comparison, particularly when the comparisons relate to support staff. They do provide a general basis for reflecting the market and employment conditions among employees who could be employed in similar positions within the community and they are an indication of what the District and its employees feel fairly reflects the cost of living.

The pivotal issue relative to the wage question is the method of estimating the cost of the proposals made by the parties. The District argues any increase in wages must be measured from an "effective" rate rather than the year-end rate since the 1982-83 split salary schedule creates a greater cost to the District and a disproportionate increase in wages to the employees in the following year if the year-end rate is used.

Generally, wage increases negotiated each year are costed in the year in which they are negotiated and are not considered as part of an increase in the following year. There is no question that with a split salary schedule, unless the split salary increase is continued in succeeding years, there are wage cost increases which will incur over and above the wage costs of the preceding year. However, split salary schedules are primarily used as a catch up method to provide employees with a wage rate lift which they might ordinarily expect during a particular contract year without a simultaneous increase in the actual dollar cost to the employer. When the split salary schedule is agreed upon both parties realize the next year's negotiations will start with a higher base and that the schedule will build in additional costs in ensuing years. Consequently, unless there is a difficulty to pay or an inability to pay argument advanced, the understanding reached in a previous year should not be allowed to determine the reasonableness of an offer in subsequent years.

The decision to use the year-end rate for determining the costs of the proposals was made despite the fact the District pointed out it used a consistent costing technique for both the monitors and the bargaining unit in this matter since both had split salary increases in the previous year. This decision is supported by the fact that the costing for the monitors' settlement is not correct¹ and that the District settled with five other support staff units by giving year-end rate salary increases between 4.9% and 5.2%. Although the total cost for the other support staff settlements was not provided by the parties, a review of the costing for both the monitors' settlement and the maintenance employees proposals indicates fringe benefits in the other settlements were likely to have added cost to the total package by a percent or more. Thus, it is more appropriate to consider the total

¹See page 11, Transcript.

package costs of the internal settlements when determining which of the offers is more reasonable.

In order to compare the costs of the proposals based on the year-end rate, the following calculations were made using the figures supplied in Employer's Exhibit 6 and modifying them where needed to account for the increased cost in salary:

1982-83 BASE SALARY DOLLAR CALCULATIONS

<u>Level</u>	<u>Year-end Rate</u>	<u>Salary Base Data</u>
1	8.37	\$1,149,033.60
2	8.52	372,153.60
3	8.60	572,416.00
4	8.75	18,200.00
5	9.11	265,283.20
6	9.75	20,280.00
7	9.87	20,529.60
8	10.00	124,800.00
9	10.15	21,112.00
12	11.36	23,628.80
13	11.64	24,211.20
14	11.70	24,336.00
		<u>\$2,635,984.00</u>

COST ANALYSIS

<u>Item</u>	<u>Base Data</u>	<u>District's Offer</u>	<u>Percent</u>
Salary	2,635,984	2,733,163	3.7%
Differential	17,472	17,472	
Longevity	17,760	19,920	
Subtotal	2,671,216	2,770,555	3.7%
Employee Rtm Pd By Bd	133,561	138,527	
Employer Rtm Cont	160,273	177,315	
Social Security	178,971	193,938	
Life Insurance	2,628	3,154	
Health Insurance	201,139	248,082	
Dental Insurance	66,905	67,431	
Subtotal	743,477	828,447	11.4%
Total Package	3,414,693	3,599,002	5.4%

COST ANALYSIS

<u>Item</u>	<u>Base Data</u>	<u>Union's Offer</u>	<u>Percent</u>
Salary	2,635,984	2,763,531	4.8%
Differential	17,472	17,472	
Longevity	17,760	19,920	
Subtotal	2,671,216	2,800,923	4.9%
Employee Rtm Pd By Bd	133,561	140,046	
Employer Rtm Cont	160,273	179,259	
Social Security	178,971	196,065	
Life Insurance	2,628	3,154	
Health Insurance	201,139	248,082	
Dental Insurance	66,905	67,431	
Subtotal	743,477	834,037	12.2%
Total Package	3,414,693	3,634,960	6.5%

Based on the above calculations, together with the data provided in Exhibit 11 and the testimony which indicates the total package cost of the monitors' settlement was 11.8% and not 6.5%, it is

concluded the Union's offer is more comparable to the settlements the District has reached with its other bargaining units since the salary increase is more similar to the salary increase given the other units and it is likely the fringe benefits are similar.

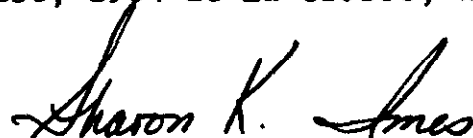
As to the other two items offered in the District's final offer, while they do not weigh against the District's position, they do not tip the balance in favor of the District's proposal.

Thus, having reviewed the evidence and arguments and after applying the statutory criteria and having concluded the Union's offer is more reasonable when all the criteria are considered, the undersigned makes the following:

AWARD

The final offer of the Union, along with the stipulations of the parties which reflect prior agreements in bargaining as well as provisions of the predecessor collective bargaining agreement which remained unchanged during the course of bargaining, are to be incorporated into the collective bargaining agreement for 1983-84 as required by statute.

Dated this 29th day of August, 1984 at La Crosse, Wisconsin.



Sharon K. Imes
Mediator/Arbitrator

SKI:mmm

APPENDIX "A"

Name of Case: LYXIV 32770 Med/Arb - 2636

The following, or the attachment hereto, constitutes our final offer for the purposes of municipal interest arbitration pursuant to Section 111.77 of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

2/29/84
(Date)

James W. Muller
(Representative)

On Behalf of: Union

Union Final offer #2

D) .42 cents per hour, added to the
June 30, 1983 rates, effective July 1,
1983.

James W. Mullin
2/29/84

APPENDIX "B"

Name of Case: LXXIV No. 32770 MEO ARB-2636

The following, or the attachment hereto, constitutes our final offer for the purposes of municipal interest arbitration pursuant to Section 111.77 of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

2/29/84
(Date)

David L. Kempachow
(Representative)

On Behalf of: San Bay Area Public Schools

1

GREEN BAY AREA PUBLIC SCHOOL DISTRICT
GREEN BAY, WISCONSIN

February 29, 1984

MAINTENANCE NEGOTIATIONS

Employer's Final Offer No. 2

Union Item No. 7: "Reprimands shall be removed from an employee's personnel file upon the written request of that employee if there is no other record of discipline within two years of that reprimand."

Rate of Pay: Thirty-two (32) cents per hour, added to the June 30, 1983, rates, effective July 1, 1983.

Holiday: Full holiday (paid) December 31st.

All other items as stipulated or as provided in the prior agreement.



David L. Kampschroer
Executive Director-Employee Relations

DLK/jc